## **Introduced by Senator Ducheny**

February 23, 2009

An act to amend Section 930 of the Unemployment Insurance Code, relating to unemployment compensation, and making an appropriation therefor, to take effect immediately, tax levy.

## LEGISLATIVE COUNSEL'S DIGEST

SB 222, as introduced, Ducheny. Unemployment compensation: wages.

Existing unemployment insurance law requires each employee to make a contribution, as defined, to the Unemployment Fund with respect to wages paid by the employer to the employees, as provided.

Existing law excludes from the definition of "wages," for purposes of the Unemployment Insurance Law, remuneration in excess of \$7,000 paid to an individual by an employer during any calendar year, with respect to employment.

This bill would revise this provision to exclude remuneration in excess of \$21,000.

By providing for the deposit of additional moneys into the Unemployment Fund, a continuously appropriated fund, this bill would make an appropriation.

This bill would result in a change in state taxes for the purpose of increasing state revenues within the meaning of Section 3 of Article XIII A of the California Constitution, and thus would require for passage the approval of  $\frac{2}{3}$  of the membership of each house of the Legislature.

This bill would take effect immediately as a tax levy.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

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The people of the State of California do enact as follows:

- 1 SECTION 1. Section 930 of the Unemployment Insurance 2 Code is amended to read:
- 3 930. "Wages" does not include remuneration in excess of seven
- 4 thousand dollars (\$7,000) twenty-one thousand dollars (\$21,000)
- 5 paid to an individual by an employer during any calendar year,
- 6 with respect to employment.
- 7 SEC. 2. This act provides for a tax levy within the meaning of
- 8 Article IV of the Constitution and shall go into immediate effect.